

A RESOLUTION

03-R- R 03- -0320

BY CITY UTILITIES COMMITTEE

**A RESOLUTION ESTABLISHING THE COMPENSATION LIMITS FOR MONTGOMERY WATSON/KHAFRA-JV, FOR CONTRACT FC-7093-99, PROGRAM MANAGEMENT SERVICES FOR THE ATLANTA WASTEWATER SYSTEM IMPROVEMENTS, DURING THE THIRD YEAR OF THE TERM FROM APRIL 1, 2003 TO MARCH 31, 2004, PURSUANT TO THE AMENDED TERMS AND CONDITIONS OF THE CONTRACT INCORPORATED HERETO, IN AN AMOUNT NOT TO EXCEED \$22,000,000.00 TO BE CHARGED TO AND PAID FROM FUND ACCOUNT CENTER NUMBER: 2J27 524001 T31001.**

**WHEREAS**, the City has heretofore entered into Contract FC-7093-99, Program Management Services for the Atlanta Wastewater System Improvements for program management services to facilitate project management and oversight services related to the planning, design, and construction of wastewater system improvements on behalf of the Department of Watershed Management pursuant to Resolution 01-R-0036, adopted January 16, 2001 and approved by the Mayor January 23, 2001; and

**WHEREAS**, the Contract provides that the compensation limits for the second and subsequent years shall be established annually by the Department of Watershed Management, subject to approval of the City Council of the total not to exceed cost to the City during each year; and

**WHEREAS**, it is now necessary to establish the compensation limits for the third year of the contract term in an amount not to exceed \$22,000,000.00; and

**WHEREAS**, the City and Consultant have mutually determined that improved efficiency of operation and improved measure of risk gained during the first two years of the contract has resulted in lower indirect costs, which in turn allow negotiated reduction to certain cost terms of the contract.

**NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF ATLANTA, GEORGIA**, that the compensation limits for the third year of the Term of said Contract FC-7093-99, Program Management Services for the Atlanta Wastewater System Improvements with Montgomery Watson/Khafra-JV, be and hereby are established in accordance with the applicable provisions thereof up to a total amount not to exceed \$22,000,000.00.

**BE IT FURTHER RESOLVED**, that the pricing terms of the contract shall be amended to include the following reduced pricing terms: eliminate General and Administrative markup of 8.27%; eliminate Associated Project Charge (APC) of \$8.27 per labor hour; set the indirect labor cost multiplier applied to Joint Venture and Primary Subconsultants at 1.78; and reduce the JV profit applied to subconsultants from 15% to 10%.

**BE IT FURTHER RESOLVED**, that all contracted work shall be charged to and paid from Fund Account and Center Number: 2J27 524001 T31001.